



**Action Summary Minutes**

**SOUTHERN REGION HEARING BOARD MEETING**

Southern Region Office Video Teleconference (VTC) Room

34946 Flyover Court, Bakersfield, CA 93308

**Wednesday, August 11, 2010, 10:00 a.m.**

**Meeting held via teleconferencing (VTC) with the  
Central Region Office (Fresno) participating via VTC.**

**MINUTES**

1. CALL MEETING TO ORDER:

The Chair, Hollis Carlile, called the meeting to order at 10:00 a.m.

2. ROLL CALL:

Kimm Wolber - Medical	Present
Nancy Dunn – Public	Absent
Hollis Carlile (chair) - Engineer	Present
Bill Bland, Public*	Present
John Stovall – Attorney	Present

\*Bill Bland attended in the central region.

Staff present - Southern Region (Bakersfield): Mike Oldershaw, Air Quality Compliance Manager

Central Region (Fresno): Patrick Houlihan, Sr. Air Quality Specialist; Ryan Hayashi, Supervising Air Quality Specialist; Catherine Redmond, Assistant District Counsel; and Michelle Banuelos, acting as Clerk to the Board.

3. APPROVE MINUTES OF JULY 14, 2010

The Chair, Hollis Carlile, asked if there were any comments regarding the Minutes of July 14, 2010. Hearing none, the Minutes of July 14, 2010, were approved as submitted.

4. PUBLIC HEARING:

All those present to testify were sworn in by the Chair, and he requested they sign in.

A.           S-10-13R   Regular           Kawneer Company  
  P. O. Box 3148  
  Visalia, CA 93278

Petitioners: Alex Golombek, David Wallace, Eric King, Kevin Madry

Patrick Houlihan presented the report. Kawneer Company has requested a regular variance period from August 11, 2010, until March 11, 2011. If granted, the variance would allow for the continued operation of the metal parts coating operation controlled by a VOC control device that does not meet 90% control efficiency as required by Rule 4603.

The District believes that the required findings can be made and recommends that Kawneer Company be granted a regular variance with the conditions as stated on pages four, five and six of the staff report.

Petitioner Dave Wallace thanked Patrick Houlihan and the District for the accurate report. He noted they are on track based on the Compliance plan they submitted, and had nothing else to add.

Hollis Carlile asked if Kawneer is still looking for a material that could withstand higher temperatures. Mr. Wallace answered that by following the proper steps they believe the existing media will work at the 100 to 110 degree range.

Public Comments:	None
Motion:	Wolber
Second:	Stovall
AYES:	Wolber, Bland, Carlile, Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report. Assistant District Counsel Catherine Redmond recommended Kawneer's schedule be incorporated as part of the recommendations. At this time Dave Wallace pointed out a correction on page 6 of the staff report. Replace #9 with #11. Recommendation 15B should read:

*The amount of ERCs to be surrendered or excess emission fees to be paid in accordance with condition #11.*

B.    S10-42i       Interim       San Joaquin Community Hospital  
  P.O. Box 2615  
  Bakersfield, CA 93301

Petitioners: Bob Easterday

Patrick Houlihan presented the report. San Joaquin Community Hospital has requested an interim variance from August 11, 2010, to October 13, 2010, or until the Southern Region Hearing Board has heard the petition for the regular variance, whichever occurs first. The variance would allow the use of the subject boilers with NO<sub>x</sub> emissions in excess of those which are allowed by Rule 4307.

The District believes that the required findings can be met and recommends that the Hospital be granted an interim variance with the conditions as stated on pages two, three, and four of the staff report.

Petitioner, Bob Easterday agreed with the District's staff report. He stated two new boilers will be purchased. The plan is to remove one boiler, install the two new boilers, keeping one as an off-line back up until the two new boilers are installed, certified and approved by the APCD and the Office of Statewide Health Planning and Development; At which time the final boiler will be removed.

Public Comments:	None
Motion:	Stovall
Second:	Wolber
AYES:	Wolber, Bland, Carlile, Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions on pages three and four of the staff report.

C.	S-10-43S	Short	Aera Energy LLC 29235 Highway 33 Maricopa, CA 93252
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Petitioners: Philip Young

Patrick Houlihan presented the report. Aera Energy has requested a short variance to occur sometime between August 12, 2010, and November 9, 2010, to allow the continued storage of volatile organic compounds (VOC) containing liquids at the subject leases without a functional or operating vapor recovery system (VRS).

The District believes that the required findings can be met and recommends that Aera be granted a short variance with the conditions as stated on pages four, five and six of the staff report, with the following changes:

Aera no longer needs condition number four (4) on page five.

Strike out the last part of the sentence in Condition 9A, page six, as follows:

~~The date, time, and duration the VRS was shut down and restarted, and each of the actions that were taken under the proposed schedule;~~

On page four, Finding number five (5) the last sentence will be removed, as follows:

5. . . . While the power is off, production wells will also be off. Therefore, no crude oil or water will enter the subject tanks. As a result, emissions will be minimized. The tanks are enclosed with a fixed roof and will have pressure/vacuum vents which will seal in the vapors as long as the pressure inside the tanks does not build up. ~~In addition, AERA will follow their proposed shut down and startup procedure outlined in condition #4 that will further minimize emissions.~~

Public Comments:	None
Motion:	Bland
Second:	Wolber
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions and changes in the staff report.

D.	S-10-44S	Short	Aera Energy, LLC 29235 Highway 33 Maricopa, CA 93252
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Petitioners: Philip Young

Patrick Houlihan presented the report. Aera has requested a short variance for a consecutive period of 96 hours to occur sometime between September 1, 2010, and November 29, 2010, to allow the continued storage of volatile organic compounds (VOC) containing liquids at the MOCO and National Dehydration Facilities without a functional or operating vapor recovery system (VRS).

The District believes that the required findings can be met and recommends that Aera be granted a short variance with the conditions and changes as stated on pages six and seven of the staff report. Patrick Houlihan noted the following changes:

Strike out Condition number four (4) on page seven.

Strike out the last part of the sentence in Condition 9B, page seven, as follows:

*~~The date, time, and duration the VRS was shut down and restarted for each lease, and each of the actions that were taken under the proposed schedule;~~*

On page five, Finding number five (5) the last sentence will be removed, as follows:

5. . . . While the steam generators are off, production wells will also be off. Therefore, no crude oil or water will enter the subject tanks. As a result, emissions will be minimized. The tanks are enclosed with a fixed roof and will have pressure/vacuum

vents which will seal in the vapors as long as the pressure inside the tanks does not build up. ~~In addition, AERA will follow their proposed shut down and startup procedure outlined in condition #4 that will further minimize emissions.~~

Petitioner, Phillip Young, thanked Patrick Houlihan and stated he had nothing further to add. Hollis Carlile asked if he agreed with the changes. His answer was yes.

Public Comments:	None
Motion:	Wolber
Second:	Stovall
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions and changes in the staff report.

E. S-10-45S Short Chevron USA Inc.  
P. O. Box 1392  
Bakersfield, CA

Petitioners: Larry Landis, Jesse Younger

Patrick Houlihan presented the report. CUSA has requested a short variance for a consecutive 16-hour period to occur sometime between August 11, 2010, and October 11, 2010, to allow the continued storage of VOC containing liquids in the subject tanks without a functional or operating VRS while the mister probe is unclogged or replaced.

The District believes that the required findings can be met and recommends that CUSA be granted a short variance with the conditions as stated on pages four, five, six and seven of the staff report.

Petitioner Larry Landis thanked Patrick Houlihan for his help in preparing the Petition. At this time diagrams were displayed on the document camera. Petitioner Jesse Younger gave a brief description of the activity and the equipment that would be affected under this variance.

Public Comments:	None
Motion:	Stovall
Second:	Wolber
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report.

F. S-10-46S Short Chevron USA Inc.  
P. O. Box 1392  
Bakersfield, CA

Petitioners: John Gruber, Robert Banker

Patrick Houlihan presented the report. CUSA has requested a short variance for a consecutive 10 hour period to occur sometime between August 13, 2010, and November 10, 2010, to allow CUSA to continue to store VOC containing liquids in the subject tanks without a functional or operating VRS.

The District believes that the required findings can be made and recommends that CUSA be granted a short variance with the conditions and changes as stated on pages four and five of the staff report. Patrick Houlihan pointed out a change in the staff report. Page five, Recommendation 8D should be stricken from the report, as this gas plant is not a Title V facility and therefore not required to send in the certification of truth, accuracy, and completeness.

Petitioner, John Gruber, thanked Patrick Houlihan for his help and stated that the District's presentation accurately captures the content of CUSA's petition and agreed to the change of striking Recommendation 8D from the staff report .

At this time diagrams were displayed on the document camera. Petitioner Robert Banker gave a brief description of the knock out vessels and pointed out which control switches will be replaced.

Public Comments:	None
Motion:	Bland
Second:	Wolber
AYES:	Wolber, Bland, Carlile, Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report.

G. S-10-06M2 Short Alon Bakersfield Property, Inc.  
6451 Rosedale Highway  
Bakersfield, CA 93308

Petitioners: Max Simms, June Christman, Melinda Hicks

Patrick Houlihan presented the report. Alon has requested a modification of the regular variance period from August 11, 2010, to December 31, 2010, to allow ALON to continue the postponement of the current upcoming RATA for the CEMS associated

with the subject equipment, and also to provide relief from upcoming source tests of the subject combustion equipment.

The District believes that the required findings can be met and recommends that Alon be granted a short variance with the conditions as stated on pages four, five and six of the staff report.

Petitioner, Melinda Hicks, thanked Patrick Houlihan for his help and thanked the Board for the opportunity to appear before them again. Ms. Hicks stated they are hopeful and optimistic that the plant will be back up and running.

Kimm Wolber asked how they plan to transport the gasoil from Paramount. Ms. Hicks stated initially it will be coming by truck, but further evaluations are underway to determine if there's opportunity for rail and/or pipeline.

Public Comments:	None
Motion:	Stovall
Second:	Wolber
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report.

H.      S-09-12M2   Short      Alon Bakersfield Property Inc  
6451 Rosedale Highway  
Bakersfield CA

Petitioners: Max Simms, June Christman, Melinda Hicks

Patrick Houlihan presented the report. Alon has requested a modification of an existing variance for a period from August 11, 2010, to December 31, 2011, to allow ALON to continue the operation of Wastewater Treatment Unit #83 without a functional or operating VRS, but would only provide relief during periods when the compressor is shut down due to overheating or pending overheating.

The District believes that the required findings can be met and recommends that Alon be granted a modification of the existing variance with the conditions as stated on pages four, five and six of the staff report.

Petitioner, Melinda Hicks, thanked Patrick Houlihan for his presentation and stated they feel confident the 90 days they are requesting will give them the time and experience they need to gather additional information.

Kimm Wolber asked when they will begin hiring. Ms. Hicks answered shortly after the start of the new year.

Public Comments:	None
Motion:	Bland
Second:	Stovall
AYES:	Wolber, Bland, Carlile; Stovall
NAYS:	None
RECUSED:	None

Having decided the petition has met the required findings, the Hearing Board voted to pass the Motion to grant the variance subject to the conditions in the staff report.

5. The Southern Region Hearing Board heard no emergency variances since the last Hearing.
6. PUBLIC COMMENTS: None
7. HEARING BOARD MEMBER COMMENTS: None
8. NEW BUSINESS: None
9. NEXT SCHEDULED MEETING: Wednesday, September 8, 2010 at 10:00 a.m.  
The meeting will be held via video teleconferencing (VTC) in the Southern Region Office (Bakersfield) with the Central Region Office (Fresno) participating via VTC
10. ADJOURNMENT: The meeting was adjourned at 11:29 a.m.